

**STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

**Before the Commissioner of the Office of Financial and Insurance Services**

In the matter of:

Brian Nelson  
d/b/a First Financial Services, LLC  
6220 E. Thomas Rd. Suite 101  
Scottsdale, AZ 85251

Enforcement Case No. 04-2853

Respondent

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Issued and entered  
this 11<sup>th</sup> day of October 2004  
by Linda A. Watters  
Commissioner

**ORDER TO CEASE AND DESIST**

The Office of Financial and Insurance Services (OFIS) of the Michigan Department of Labor & Economic Growth, pursuant to the Debt Management Act, PA 148 of 1975, as amended; MCL 451.411 *et seq.* (Act), and the rules promulgated under the Act, says that:

**I.  
BACKGROUND**

1. Brian Nelson, d/b/a First Financial Services, LLC (Respondent) is a business located at 6220 E. Thomas Rd. Suite 101, Scottsdale, AZ 85251.
2. OFIS is responsible for the licensing and regulation of debt management companies, and the enforcement of the provisions of the Act
3. At all times herein, Respondent was not licensed by OFIS as a debt management company.
4. Respondent is engaged in the business of debt management.

5. Engaging in unlicensed debt management business in the State of Michigan is a violation of Section 3(1) of the Act, MCL 451.413, and Section 4(1) of the Act, MCL 451.414.
6. On January 20, 2003, Respondent entered into a debt management contract with xxxxxxxxxxxxxxxx, a Michigan consumer.
7. The contract gave the consumer 60 days to cancel the contract and receive a refund.
8. On March 20, 2003, the consumer cancelled her contract within this time frame, and Respondent stated they would send her a form to fill out and send back. The consumer did not receive the form.
9. When the second form was received the amount of the refund was incorrect, it stated \$300.00 and instead of \$525.00.
10. Respondent told the consumer to change the amount by hand, and send the form back to them. By the time the refund information was corrected, Respondent claimed the consumer was not entitled to cancellation or a refund because the 60 days had elapsed.
11. The Michigan consumer filed a complaint alleging that Respondent failed to issue her a refund of \$525.00, and failed to cancel her contract with Respondent.
12. On November 19, 2003, OFIS sent Respondent a letter requesting certain information about the debt management company.
13. On December 4, 2003 OFIS received Respondent's undated response, but the response only answered 2 of the 12 items contained therein.
14. On January 22, 2004, OFIS sent Respondent a second request, which stated that the response to the first request was inadequate. OFIS never received a response to the second request for information.

15. Section 23 of the Act, MCL 451.433, allows OFIS to require a person to send OFIS a written response concerning all the facts and circumstances concerning the subject matter that OFIS believes to be in the public interest to investigate.
16. As provided in Sections 23(3)(b) and 23(4), MCL 451.433(3)(b) and (4), failure to file a statement with all required information within 15 days after receipt of OFIS's letter requesting information, shall be the basis for issuance of a cease and desist order.

## **II. CONCLUSIONS OF LAW**

WHEREAS, Section 23 of the Act, MCL 451.433 states that when it appears to OFIS, either upon complaint or otherwise, that this Act, or a rule promulgated under this Act, has or is about to be violated, it may, in its discretion, either issue a cease and desist order or require the person to file with it a statement in writing, under oath, or otherwise, as to all the facts and circumstances concerning the subject matter which it believes to be in the public interest to investigate those facts, and where appropriate, with or without the request for information, issue a cease and desist order.

WHEREAS, the Commissioner of the Office of Financial and Insurance Services finds that a person must be licensed under Section 3(1) of the Act, MCL 451.413, and Section 4(1) of the Act, MCL 451.414 in order to engage in the business of debt management; and

WHEREAS, a person is required to respond to a request by OFIS under Sections 23(3)(b) and 23(4), MCL 451.433(3)(b) and (4); and

WHEREAS, based on the foregoing, the Commissioner finds that Respondent is engaged in acts and practices that violate Sections 3, 4, and 23 of the Act and Rules promulgated under the Act; and

WHEREAS, the Administrator finds this action necessary and appropriate in the public interest for the protection of the public and consistent with the purposes fairly intended by the policy and provisions of the Act.

IT IS THEREFORE ORDERED, pursuant to Section 23 of the Act, that:

1. The Respondent shall immediately CEASE AND DESIST from transacting debt management business in the State of Michigan without being licensed under the Act.
2. The Respondent shall refund \$525.00 dollars to the Michigan consumer and cancel her debt management contract within 30 days of issuance and entry of this Order.

A person that fails to comply with this ORDER is subject to one or more of the following:

- a. Is guilty of a misdemeanor, and may be fined not more than \$5,000.00, or imprisoned for not more than 6 months, or both.
- b. Is guilty of criminal contempt and any appropriate remedies the Attorney General may seek on behalf of the State of Michigan.

MICHIGAN DEPARTMENT OF  
LABOR & ECONOMIC GROWTH

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Linda A. Watters, Commissioner  
Office of Financial and Insurance Services